

**NEW YORK STATE DEPARTMENT OF HEALTH
HEALTH CARE REFORM ACT – PUBLIC GOODS POOL**

INSTRUCTIONS FOR COMPLETING ATTACHMENTS 2 through 2.6

For payors making an election pursuant to sections 2807-j and 2807-t of the Public Health Law, please complete the applicable Attachments #2 through #2.6. **TYPE** all forms and mail to:

Mr. Jerome Alaimo, Pool Administrator
Office of Pool Administration
Excellus BlueCross BlueShield, Central New York Region
P.O. Box 4757
Syracuse, New York 13221-4757

To be valid, election forms must be received in accordance with the schedule below.

FOR ELECTION TO BE EFFECTIVE ON:	ELECTION MUST BE POSTMARKED BY:
April 1, 1997	March 3, 1997
July 1, 1997	June 2, 1997
October 1, 1997	September 2, 1997
January 1, 1998	December 1, 1997
January 1, 1999	December 1, 1998
January 1, 2000	December 1, 1999
January 1, 2001	December 1, 2000
January 1, 2002	December 1, 2001
January 1, 2003	December 1, 2002
July 1, 2003, and subsequent months	Last day of previous month

Beginning June 1, 2003, an election application received from any payor or organization shall begin on the first day of the month following the date it was received by the Office of Pool Administration. For effective periods July 1, 2003 and subsequent, a payor or organization will be allowed to file an election application in a given month rather than a given quarter.

NOTE: Prior to July 1, 2003, a payor could qualify for Quarterly Election if, on or after the annual December 1 election application filing deadline, that payor:

- C became newly licensed under the N.Y.S. Insurance Law; or*
 - C was newly certified under Article 44 of the N.Y.S. Public Health Law; or*
 - C was newly in operation and is self insured for health care coverage; or*
 - C was newly self-insured not having previously offered third party health care coverage.*
- The quarterly election is replaced with the monthly election effective July 1, 2003.*

Payors may replicate the election forms; however, replicated forms must be exact duplicates of the Department's forms (i.e., same format and same content).

Attachment #2 is the form by which a payor voluntarily elects to make public goods payments directly to the Department's Office of Pool Administration. Signature of the chief financial officer or other duly authorized individual binds the payor to make direct pool payments for all its public goods funding obligations, file reports and remit funds in conformance with the Health Care Reform Act (HCRA) provisions and Department requirements, and represents an agreement as to the jurisdiction of the State for purposes of enforcing payments required under Public Health Law sections 2807-j and 2807-t. This does not, in any way, preclude a payor from litigating other issues in Federal court such as ERISA based challenges, etc.

TPAs making public goods payments directly on behalf of represented clients that have elected must complete and submit Attachment #2-T in addition to their submission of each represented client's separately completed election form (Attachment #2) (see instructions which follow). If the TPA is also an insurer, or self-insured for their own lines of business, they must complete their own separate election forms.

The form is to be *typed, signed in blue ink* (original signatures only; photocopies and faxes will not be acceptable) and completed as follows:

1. Type in the effective date; refer to the table above.
2. The federal employer identification number is that used by the payor for reporting purposes.
3. The payor name is that of the incorporated entity, local government, self-insured fund. A payor should also include any assumed name(s) ("d/b/a") under which it is doing business.
4. The address is that of the listed payor.
5. The contact person is the person that will be responsible for providing the Department or providers related information regarding the payor's election, lines of business, and claims processing.
6. The phone number should be that of the contact person.

If the election submission is for a payor that is utilizing a TPA/ASO for claims processing, the following information must also be provided.

1. The name of the TPA/ASO representing said payor.
2. The federal employer identification number used by the TPA/ASO for monthly reporting purposes.

Attachment #2-T is the form by which a TPA/ASO voluntarily elects to make public goods payments directly to the Department's Office of Pool Administration on behalf of their clients who have elected. Signature of the chief financial officer or other duly authorized individual binds the TPA/ASO to make direct pool payments for all its public goods funding obligations, file reports and remit funds in conformance with HCRA provisions and Department requirements, and represents an agreement as to the jurisdiction of the State for purposes of enforcing payments required under Public Health Law sections 2807-j and 2807-t. This does not, in any way, preclude a payor from litigating other issues in Federal court such as ERISA based challenges, etc. The form is to be *typed, signed in blue ink*, (original signatures only; photocopies and faxes will not be acceptable) and completed as follows:

1. Type in the effective date; refer to the table on page 1 of these instructions.
2. The federal employer identification number is that used by the TPA/ASO for monthly reporting purposes.
3. The address is that of the listed TPA/ASO.
4. The contact person is the person that will be responsible for providing the Department or providers related information regarding the elections of a TPA's/ASO's represented funds.
5. The phone number should be that of the contact person.

Attachment 2.1 must be completed by all payors making an election and represents a payor's attestation of the coverage it provides. A payor electing to pay the Department's Office of Pool Administration directly is making an election for all its product lines. For an election application to be considered by the Department, this attachment must be completed by the payor and submitted with Attachment #2 postmarked in accordance with the table on page 1 of these instructions. The form is to be completed as follows:

1. In each payor category which applies, the payor should mark an "X" in each column to indicate whether the payor provides such coverage. Each box marked with an "X" necessarily represents the lines of business included in the payor's election. As stated before, a payor is required to elect for all its product lines. Shaded areas should not be checked.
2. If an Article 43 Insurance Law corporation or licensed commercial insurer has a separate incorporation for its Article 44 Public Health Law business, that corporation must check the appropriate boxes on a single election form. Otherwise, the Article 44 Public Health Law business is considered to be a product line of the Article 43 or commercial payor and the payor is required to make a single election for this and all other types of coverage provided by the corporation. A payor who does not fall into any of the categories listed, should check "Other" in the payor identification section and explain their payor type in the space provided. The "Other" payor category is also to be utilized by insurers not licensed or operating under New York State statutes. The "Other" payor category would not be utilized by self-insured funds regardless of where they are domiciled. It is anticipated the only instances where an entity making an election

would fall within more than one payor category are as follows:

a. *a self-insured fund for both workers compensation and employee health benefits* may utilize a TPA for one type of coverage but not the other. In this instance, the fund would provide (a) an election form to the TPA for the type of coverage for which it is utilizing the TPA and (b) a separate election form to the Department's Office of Pool Administration for the self-insured business that is not utilizing a TPA. The self-insured fund would, however, be required to elect to make payments directly to the Department's Office of Pool Administration for both lines of coverage.

a. *a local government* may have several roles: as a payor of services provided to correctional facility patients; and also be self-insured for employee health benefits or workers' compensation. Where no TPA is involved, the local government should provide a single election form identifying itself as being within more than one payor category. Where a TPA is utilized for the self-insured option, the local government would provide to the TPA a separate election form for its self-insured payor category. If a local government chooses, it may elect to make direct payment to the Department's Office of Pool Administration for its self-insured products but not for its payments for correctional facility patients.

Attachment 2.2 must be submitted in accordance with the previous schedule and must be filled out by all electing payors that have marked any box on Attachment #2.1 indicating they provide coverage of a type that requires covered lives payments. Actual payments to the pool are not to be calculated from this data but from actual enrolled covered lives during the HCRA period. This information is required by the HCRA to be submitted as part of the election application.

1 **Covered Lives**: For the month of June of the year prior to the assessment year, enter the number of individual covered lives and family unit covered lives residing in New York which were included on your membership rolls, by region. Enter the number of individual covered lives in row (A) and the number of family units in row (B).

2 **Apportionment of Covered Lives**: For payors that have reached agreement to apportion the cost of their covered lives assessments with another inpatient payor providing *unduplicated* coverage for a single contract holder, data must be entered in this section of the form. The payor must identify the number of covered lives, from within the total number of covered lives reported in section I, which are the subject of apportionment. The total number of individual covered lives subject to apportionment on lines C and F should correspond to the total of such amounts reported on Attachment #2.3 and should reflect an agreement by the payors as to the number of individual covered lives and family units each had on their membership rolls for the month of June of the year prior to the assessment year. The number of individual covered lives subject to apportionment should be entered in row (C) and the number of family unit covered lives subject to apportionment should be entered in row (F). The apportionment percentage is the percentage of assessment cost which you will be paying in the HCRA period. The apportionment percentages for individual and family unit covered lives should be entered (to the nearest tenth) into rows (D) and (G), respectively. Where a payor has multiple apportionment agreements, the apportionment percentage in rows (D) and (G) should reflect a composite percentage weighted to

reflect the relative number of covered lives in each agreement (see attached “*Weighted Average Apportionment Calculation*”). The apportioned number of covered lives is the product of the number of lives subject to apportionment multiplied by the apportionment percentage. The apportioned number of individual covered lives should be entered in row (E) and the apportioned number of family unit covered lives should be entered in row (H).

3. *Net Covered Lives*: "Net covered lives" are derived by the following calculation: total number of covered lives less covered lives subject to apportionment plus apportioned covered lives. See the formula next to each of the rows for individual and family unit covered lives.

Attachment 2.3 must be completed by payors that have an apportionment arrangement for covered lives payments. The numbers presented on this attachment provide the Department with the data necessary to project anticipated pool receipts from this particular funding mechanism. Actual payments to the pool will be calculated not from this data but from actual enrolled covered lives during the HCRA period. These payors are required to list all other payors with which they have reached agreement to apportion their covered lives assessments for *unduplicated* inpatient coverage by listing each such payor by name and federal employer identification number (EIN). *Note: All entities listed on this attachment must be electing payors and the resultant apportionment between such electing payors must add up to 100% of the covered lives being apportioned.* The number of individual and family covered lives subject to apportionment pursuant to an agreement should be entered in the appropriate columns on the attachment and should reflect an agreement by the payors as to the number of individual and family unit covered lives each had on their membership rolls for the month of June of the year prior to the assessment year. The total number of individual and family lives subject to apportionment on this form should correspond to the total of the amount on lines C and F on Attachment #2.2. If additional space is necessary, please photocopy the form and renumber the first column (No.). In order for the Department to accept the apportionment of covered lives, a copy of each apportionment agreement must be attached and must be signed in blue ink. The apportionment agreement must be signed by the Chief Financial Officer or other duly authorized individual of the payors involved in the apportionment and the percentage of cost being assumed by each payor.

Attachment 2.4 must be typed, signed in *blue* ink, and completed by TPAs to reflect all electing entities that it represents. If a TPA represents both electing and non-electing organizations, or in instances where the TPA itself provides coverage and has a different election status than one of its represented organizations, an acceptable identification system used to determine patients covered by direct pay (electing) vs. non-direct (non-electing) entities when presenting themselves to providers for patient services or laboratory sampling must be included (see page 2 of Attachment #2.4). *Note: If, at any time, a client represented by a TPA becomes a non-electing entity, an acceptable identification system to indicate electing vs. non-electing funds (as referenced above) must be submitted by the TPA to the Department's Office of Pool Administration.*

Attachment 2.4-A Addendum must be typed, signed in *blue* ink, and completed by TPAs for electing clients, which are being added to the original election submission filed. For each

organization being added, include a separate election form (Attachment #2), product line identifier information form (Attachment #2.1), and report of number of covered lives (Attachment #2.2). When listing organization names, list the legal name of the organizations alphabetically including the federal ID # for each organization. *Note: This form is to be utilized only by a TPA and acts as an addendum to their originally filed Attachment #2.4 for adding new electing clients or in the case where a TPA is adding a new client that previously elected under another TPA.*

Attachment 2.4-B Addendum must be typed, signed in *blue* ink, and completed by TPAs for electing clients, which are being deleted from the original election submission filed. When listing organization names, list the legal name of the organizations alphabetically including the federal ID # for each organization. If additional space is necessary, please photocopy the form. *Note: This form is to be utilized only by a TPA and acts as an addendum to their originally filed Attachment #2.4 in the case where electing clients are no longer represented. Of further importance, this form is not intended to remove certified electors from the elector list.*

Attachment 2.5 must be typed, signed in *blue* ink, and completed by a payor whose status has changed from the original election submission filed.

Attachment 2.6 must be typed, signed in *blue* ink, and completed by a payor whose status has changed from the original election as it relates to whether a TPA is utilized for claims processing. This form will act as an addendum to Attachment #2.4 of an original election submission for both the previous and present TPA. The form must be signed by the payor.